

Audit's[®] NEWS ANALYSIS OF SECURITIES OF REAL ESTATE INVESTMENT TRUSTS

Realty Trust Review

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INVESTMENT OUTLOOK AND STATISTICAL ISSUE

Investment outlook: Realty trusts continue to outperform the Dow Industrials.	1
Earnings trends: Market ignores net cash flow, making <u>ConnGen</u> a buy.....	7
Table: New Earnings Reports of latest quarters for 38 trusts.....	8
Comments on: <u>Nationwide RE</u> , <u>Realty Income</u> , <u>PNB Mtg. & Rlty.</u> , <u>NW Mut. Life</u>	
Dividend trends: <u>U.S. Bancorp R&M</u> resumes in July, another up month.....	3
Table: Latest Dividend Declarations for trusts.....	3
Graph of Audit Investment Index of mortgage and equity (property) trusts.....	2
Nonearning investments: Our monthly tally shows 1.8% drop.....	6
Computerized Comparative Trust Group Averages.....	3
Comparative Trust Statistics for 142 realty trust shares.....	4&5
Statistics for 15 warrants and 42 convertibles.....	6
Statistics for 38 straight bond issues of trusts.....	3
How to Use Comparative Trust Statistics.....	6
Tenders/status changes: <u>Midland Mtg.</u> abandons exchange; new name for <u>Barnett</u> .	2

INVESTMENT OUTLOOK: REALTY TRUSTS CONTINUE TO OUTPERFORM THE DOW INDUSTRIALS

Recovery potential still outweighs interest rate fears for realty trusts.

Trust shares rose 1.7% in the past month (see table, Page 3) while the Dow blue chips edged up 0.2%. REITs are up 6.2% for the year vs. a 0.1% gain in the Dow.

Interest rate fears still weigh heavily upon some of the big institutional trusts. Equitable Life Mortgage touched a new low at presstime on fears that narrower spreads on loans might peril the \$2 annual dividend rate.

ConnGen Mtg. is also on that new-low list for very special reasons which appear to make the shares a very strong buy right now (see p. 7).

PNB Mortgage and Northwestern Mutual Life Mtg. are both near their yearly lows but both have buttoned down longer-term financing that appear to give some protection against higher rates. Both have attractive discounts from book value (see p. 8).

The big property trusts, which provide the best potential hedge against infla-

OUR SISTER SERVICES - FIVE NEW REALTY STOCK EVALUATIONS

Realty Stock Evaluations are available on five additional trusts:

<u>Bay Colony Property</u>	<u>Cont. Illinois Prop.</u>	<u>REIT of America</u>
<u>C.I. Realty Inv.</u>	<u>Hubbard Real Estate</u>	

Price: \$20 prepaid for the packet, \$15 for any individual trust

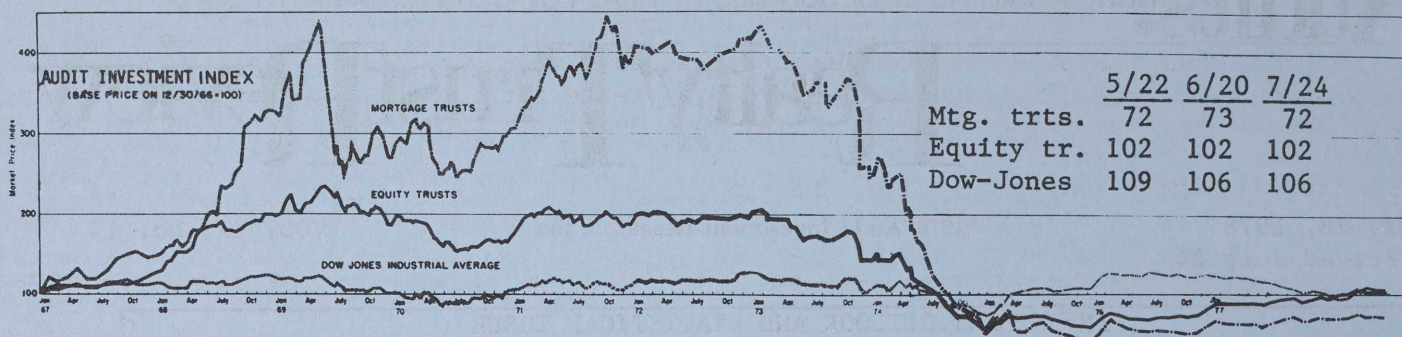
SEE WHY WE'RE EXCITED ABOUT NEW OPPORTUNITIES IN REALTY TRUSTS

First copies of New Opportunities in Realty Trusts have arrived --finally-- from our printer and they exceed our expectations. This a meaty, valuable look at investment potentials in this recovering group and we fully expect the 296-page book to set new standards for investors. Copies are \$96, prepaid.

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tion, didn't fare too well this past month.

Continental Illinois Properties was up 0.5% for the month as the market digested its new cash flow stance (RTR, June 23). General Growth fell 1.0%.

Smaller property trusts did better. Denver REIA rose 8.4%, Florida Gulf was up 6.6% on improving cash flow, and Federal Realty was ahead 3½% on a positive appearance before New York City security analysts.

Smaller, less actively traded situations are doing well, especially on good news. BRT Realty boomed 40% on a strong earnings report of 26¢/sh. in the May quarter (see table, P. 8). American Equity Inv. and API Trust rose 23% and 14% respectively. B.F. Saul REIT was ahead on good volume as Aetna Life Insurance committed to lend \$51.2 million for 15 years at 9-7/8% on a blanket mortgage secured by 15 shopping centers and five office/industrial buildings. The initial \$45 million should be disbursed this fall. Saul has decided to give up REIT status for now and will be taxed as a corporation, giving it flexibility to convert apartments to condos, sell finished lots, etc. All income anticipated for the next five years will be sheltered.

TENDERS/STATUS CHANGES: MIDLAND MORTGAGE ENDS EXCHANGE; NEW NAME FOR BARNETT

Midland Mortgage Investors has ended its offer to exchange new senior capital notes for its 8% senior subordinated notes due March 1, 1980 as the trust could not persuade a minimum \$11 million of old noteholders to accept the new paper. The trust had said the exchange was needed to avert Chapter XI bankruptcy (RTR, March 23).

But investors interpreted the failure positively: the notes rose 5.6% in price to 66½ in the month and shares rallied a strong 22.7% to 2.

Citizens & Southern Realty completed its restructuring as banks assented to the trust accepting tenders from only 51% of holders of its 6-3/4% subordinated debentures to accept one of two stretch-out options.

The news sent the old 6-3/4s soaring 48% in price to end the month at 92. They are due, with accrued interest, on Oct. 15. We'd sell on any price weakening.

Barnett Mortgage has changed its name to TRECO (for The Real Estate Company) and will ask shareholders to approve switching to corporate status in the fall. TRECO's exchange completed in March (RTR, June 9) gave it \$4.4 million positive net worth.

Eastover Corp. has completed its conversion from the former First Commerce Realty Investors (RTR, also June 9). It repaid the last \$7.1 million owed to banks and ended its advisory pact with a subsidiary of New Orleans bank holding company First Commerce on May 31. All the changes netted 46¢/sh. earnings in the June quarter, including 42¢ from reversal of loss reserves because debt repayment now gives the trust a lower cost of capital. Share prices jumped 29% in the past month and at 8¼ at this writing still have an interesting 28% discount from \$11.40 book value. Jackson, Miss. stockbroker Leland Speed and associates have taken control and are effectively converting assets into cash for reinvestment.

DIVIDEND TRENDS: U.S. BANCORP REALTY RESUMED DIVIDEND IN JULY, ANOTHER UP MONTH

Another trust rejoined the dividend paying ranks when U.S. Bancorp Realty, a property-mortgage combination, declared 25¢. This breaks out 15¢ for May quarter operations and 10¢ special from interest recoveries. Operating improvement resulted mostly from reducing non-earning assets. Nationwide REI jumped to 14¢ with 10¢ from operations and 4¢ taxable from interest recovery. Modest hikes were made by Fraser Mtg. further benefitting from sale of a big foreclosed land tract, Hotel Investors with a problem sold and operating improvement, and Riviere Realty partly recovering to prior levels.

	Up	Same	Down	Total	%Change
July	6	11	0	17	+12%
Year	35	74	4	113	--
-----From previous year-----					
July	9	6	2	17	+12%
Year	67	40	6	113	--

Trust	Record date	Latest	Dividend/share--	Previous	Amt.	Percent	Special	Year Ago	% Change
Amer. Equity Inv.	7/21	\$0.30	--	\$0.12	\$4.18	+150%	--	\$0.12	+150%
Commonwealth Rlty.	8/10	0.20	--	0.20	--	NC	--	0.20	NC
Connecticut Gen. Mtg.	7/28	0.40	--	0.40	--	NC	--	0.40	NC
Consol. Capital Rlty.	7/17	0.17M	--	0.17	--	NC	--	0.1684	+1
Cont'l. Illinois Prop	7/3	0.32	--	0.32	--	NC	--	0.32	NC
Equitable Lf. M&R	7/14	0.50	--	0.50	--	NC	--	0.55	-9
Fraser Mtg.	7/1	0.27	--	0.26	+0.1	+4	--	0.25	+8
Hospital Mtg.	7/21	0.15	--	0.15	--	NC	--	0.15	NC
Hotel Investors	7/17	0.45	--	0.42	+0.3	+7	--	0.40	+13
JMB Realty Trust	7/12	0.45	--	0.45	--	NC	--	0.40	+13
Nationwide REI	7/21	0.14	--	0.04	+1.0	+250	--	0.04	+250
New Plan Realty	7/14	0.085M	--	0.085	--	NC	--	0.08	+6
Northwestern. Mtl.Lf.Mt	7/21	0.25	--	0.25	--	NC	--	0.25	NC
PNB Mtg. & Realty	7/31	0.20	--	0.20	--	NC	--	0.18	+11
REIT of America	7/14	0.30	--	0.30	--	NC	--	0.30	NC
Riviere Realty Tr.	7/10	0.14	--	0.125	+0.15	+12	--	0.25	-44
Sutro Mortgage	8/4	0.225	--	0.225	--	NC	--	0.125	+80
United Realty Tr.	7/13	0.20	--	0.20	--	NC	--	0.19	+5
U.S. Bancorp Rlt. & M	7/10	0.15	--	0.00	+1.5	+	0.10	0.00	+
University RE	7/27	0.06M	--	0.09	-0.3	-33	--	0.05	+20
TOTALS (17 Trusts)b		\$4.645	--	\$4.16	\$4.485	+12%	--	\$4.125	+13%

b-Excludes monthly dividends. NC-No change. M-Monthly.
Trusts with dividends reduced underlined.

COMPARATIVE TRUST GROUP AVERAGE 07/24/78

GROUP	QUAL	NON-QUAL	TOTAL	SHARE (000)	BOOK VALUE	ANN DIV*	EARN ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
PROPERTY-LARGE	21	0	21	2170	11.36	1.01	1.04	13.17	1.7	3.5	12.6	7.6	16.0	9.2	661.3
-SMALL	7	0	7	892	12.55	1.28	1.42	12.80	1.6	8.8	9.0	10.0	2.0	11.3	74.1
-SUBOR LAND	3	0	3	1862	15.93	1.08	1.26	11.75	-1.1	-0.7	9.4	9.2	-26.2	7.9	56.0
AVERAGE 3 PROP GROUPS			31	1851	12.06	1.07	1.14	12.95	1.4	4.2	11.3	8.3	7.3	9.5	791.4
PROP & MTG COMBINATION	15	9	24	2137	9.72	0.38	0.49	7.31	2.7	9.5	14.7	5.3	-24.8	5.1	430.0
SHORT-TERM MTG	11	0	11	1757	14.93	0.57	0.63	9.35	-0.2	12.6	14.8	6.1	-37.3	4.2	198.7
LONG-TERM MTG/PROP	13	0	13	3442	14.76	0.99	0.95	10.58	0.3	-9.8	11.1	9.3	-28.3	6.5	468.3
MTG/FCLSD PROP-MISC	9	7	16	2610	4.56	0.00	0.06	3.03	4.0	15.2	50.5	0.0	-33.7	1.3	115.9
-BANK	0	16	16	2060	3.07	0.00	0.28	2.89	4.3	18.4	10.4	0.0	-5.7	9.1	77.9
-INDEPEND	0	31	31	3232	-0.12	0.00	0.05	1.82	4.3	36.0	35.3	0.0	-0.0	-0.0	142.0
AVERAGE 3 MTG/FCLSD PROP			63	2776	1.88	0.00	0.11	2.40	4.2	23.3	21.6	0.0	27.6	5.9	335.8
OVERALL AVERAGE	79	63	142	2448	7.62	0.43	0.52	6.82	1.7	6.2	13.1	6.4	-10.5	6.8	2224.2

DOW-JONES INDUSTRIAL AVERAGE

89.23 831.60 +0.2 +0.1 9.3 5.6

STRAIGHT BONDS

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD	ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD
BARNETT MTG-C	OC	6.75	'91	17.3	56.00	0.0	DEF	MIDLAND MTG-B	NY	8.00	'80	17.1	66.50	5.6	12
BARNETT MTG-CD	OC	8.50	'98	30.0	82.00	0.0	DEF	MTG INV WASH-BG	OC	9.25	'80	15.0	72.00	2.9	12
BARNETT-WIN-CE	OC	8.25	'98F	30.0	60.00	3.4	DEF	NATIONWIDE RE-C	OC	7.00	'91	6.5	74.00	5.7	9
BAY COLONY PROP-B	OC	8.50	'89	17.0	71.00	6.0	12	NJB PRIME INV-C	OC	7.00	'80F	4.7	40.00	8.1	DEF
BAY COLONY PROP-C	NY	8.50	'81F	6.8	85.00	3.7	10	NO AMER MTG-C	OC	8.50	'87	12.1	73.00	21.7	11
BT MTG INV-C	OC	5.75	'82	19.4	58.00	-6.4	9	NO AMER MTG-C	NY	5.50	'79	16.3	88.00	0.0	6
CHASE MAN TR-A	OC	7.88	'78F	36.7	73.00	-5.1	DEF	REALTY REFUND-C	NY	12.00	'98	15.0	101.00	1.0	11
CHASE MAN TR-C	OC	7.50	'83	41.2	33.00	-13.1	22	SAUL (B.F.)-C	NY	8.50	'80	25.0	93.50	2.2	9
CITIZNSO RLTY-C	OC	6.75	'78	30.0	92.00	48.4	DEF	SECURITY MTG-#	AS	7.25	'82	50.0	86.63	-2.2	8
CITIZNS MTG INV-B	OC	8.50	'80	20.0	37.00	0.0	DEF	SECURITY MTG-C#	OC	6.00	'82	17.1	67.00	0.0	9
CONT ILL RLTY-B	NY	7.63	'79	25.0	86.13	0.2	8	SO ATLANTIC-C#	OC	6.75	'82F	16.9	57.00	5.6	11
COUSINS M&E-C	NY	6.50	'82F	30.0	64.75	4.4	10	STATE MUT INV-B	NY	9.00	'80F	6.2	95.00	3.3	9
FIRST MTG INV-A	OC	6.75	'82	9.1	50.00	0.0	13	TRI-SOUTH MTG-B	NY	7.75	'80F	19.3	79.50	8.9	DEF
FIRST NEWPORT-B	OC	8.75	'79	7.4	66.00	-2.8	13								
FIRST VIRGINIA M	OC	4.00	'80	15.0	66.00	1.5	6								
FIRST VIRGINIA-B	OC	8.00	'80	5.0	76.00	2.7	10								
GMR PROPERTIES-C	AS	7.70	'80	20.0	81.50	3.2	9								
GREAT AMER MGMT-B	OC	7.55	'79	25.0	20.00	-12.9	VJ								
GREAT AMER MGMT-C	OC	8.75	'83	25.0	14.00	-22.1	VJ								
GROWTH RLTY-C	NY	6.75	'82	9.2	77.00	0.0	8								
GUARDIAN MTG-B	OC	7.50	'79	25.0	28.00	3.7	VJ								
GUARDIAN MTG-C#	OC	6.75	'86	8.6	17.00	-5.5	VJ								
IDS REALTY-H	OC	----	----	169.8	66.00	10.0	NC								
INSTITNL INV-B	NY	7.88	'80	20.0	73.38	-2.1	10								
JUSTICE MTG-B	OC	7.75	'79	9.6	49.00	16.7	VJ								

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-CONVERTIBLE AT \$39 TILL 9/1/78 WHEN PRICE MAY BE ADJUSTED. E-CONVERTIBLE AT \$31 TILL 12/1/78 WHEN PRICE WILL BE ADJUSTED. F-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE RATE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-FIVE SERIES, A-E: 6-7/8, 7-1/8, 7-3/8, TWO VARIABLE; 1987-94. VJ-BANKRUPTCY REORGANIZATION.

X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT.
#-MAY BE USED AT PAR TO EXERCISE WARRANTS.
F-TRADES FLAT, WITHOUT ACCRUED INTEREST.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	-EARNINGS-- MON ANN*	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)
PROPERTY TRUSTS-OVER \$25M ASSETS													
AMER EQUITY IT#	O-AEQTS	2497	6.36	0.76	↑ MAR	0.45	8.00 X	23.0	39.1	17.8	9.5	25.8	7.1 20.0
API TRUST	O-APIIS	1012	7.53	0.00	DEC	0.00	3.13	13.8	-26.4	0.0	0.0	-58.4	0.0 3.2
CONWLTH RLTY #	O-CRYYC	1180	6.38	0.80	← FEB	0.57	9.75	0.0	8.3	17.1	8.2	52.8	8.9 11.5
CONSOL CAP RLY#	O-CCPLS	1989	18.56	2.04	← FEB	2.06	28.00 X	-4.5	3.7	13.6	7.3	50.9	11.1 55.7
CONT ILL PROP#	N-CIE	4808	19.93	1.28	← APR	1.48	14.88 X	0.5	-4.0	10.1	8.6	-25.3	7.4 71.5
DENVER REIA#	O-DENV5	1101	8.06	0.72	MAR	0.84	↓ 11.25	8.4	34.2	13.4	6.4	39.6	10.4 12.4
FEDERAL REALTY	A-FRT	1407	9.77	1.36	MAR	1.22	17.00 X	3.5	4.6	13.9	8.0	74.0	12.5 23.9
FIRST FIDELITY#	O-FFITS	866	10.55	0.40	FEB	0.28	9.75	2.6	73.2	34.8	4.1	-7.6	2.7 8.4
FIRST UNION #	N-FUR	4260	8.43	1.04	APR	1.14	↓ 11.50 X	0.1	-10.7	10.1	9.0	36.4	13.5 49.0
FLORIDA GULF#	O-FGLFS	995	14.71	1.28	APR	1.32	↓ 13.00 X	6.6	-7.1	9.8	9.8	-11.6	9.0 12.9
GENERAL GROWTH#	N-GGP	6202	6.40	1.48	MAR	1.54	24.63 X	-1.0	2.1	16.0	6.0	284.8	24.1 152.8
GOULD INVESTOR#	A-CTR	1174	7.20	0.80	MAR	1.04	8.50	3.0	21.4	8.2	9.4	18.1	14.4 10.0
GREIT REALTY #	A-GRT	998	11.27	0.40	APR	0.72	6.00 X	-0.5	-6.0	8.3	6.7	-46.8	6.4 6.0
HUBBARD REI	N-HRE	4004	22.75	1.36	APR	1.64	16.75	0.0	-5.6	10.2	8.1	-26.4	7.2 67.1
NEW PLAN RLTY#	O-NPLNS	1690	4.24	1.02	← APR	1.06	10.50 X	-8.0	-14.3	9.9	9.7	147.6	25.0 17.7
PENN REIT #	A-PEI	1516	12.55	1.25	MAY	2.00	15.50	3.3	8.8	7.8	8.1	23.5	15.9 23.5
PRUDENT REIT#	A-PRU	3217	2.88	0.24	NOV	0.00	3.50	3.6	33.1	0.0	6.9	21.5	0.0 11.3
REIT OF AMERICA	A-REI	1633	21.60	1.20	← MAY	1.24	14.88 X	0.3	2.6	12.0	8.1	-31.1	5.7 24.3
SAN FRAN RE #	A-SFI	1376	19.96	1.20	MAR	1.40	16.50	0.7	9.1	11.8	7.3	-17.3	7.0 22.7
UNIVERSITY REIT	O-URETS	2133	7.76	0.72	↓ MAR	0.36	10.38 X	-2.9	-1.1	28.8	6.9	33.8	4.6 22.1
WASH REIT #	A-WRE	1518	11.58	1.80	MAR	1.52	↓ 23.25	-1.6	-3.6	15.3	7.7	100.8	13.1 35.3
GROUP AVERAGE		2170	11.36	1.01		1.04	13.17	1.7	3.5	12.6	7.6	16.0	9.2 661.3
PROPERTY TRUSTS-SPECIALTY PROPS & UNDER \$25M ASSETS													
GENERAL RE #	O-GRELS	557	7.15	1.12	↑ MAR	0.96	7.50	0.0	25.0	7.8	14.9	4.9	13.4 4.2
HOTEL INVESTOR#	A-HOT	1557	17.36	1.90	↑ FEB	2.00	18.75 X	3.1	10.3	9.4	10.1	8.0	11.5 29.2
PITTS & W VA RA	A-PU	1510	22.46	0.56	MAR	0.84	6.38	0.0	-19.0	7.6	8.8	-71.6	3.7 9.6
RE INV PROPS	O-REIPS	480	15.07	2.12	MAR	1.84	22.00 X	2.4	10.0	12.0	9.6	46.0	12.2 10.6
REIT OF CALIF	O-RTCAL	550	8.95	1.20	MAR	1.28	15.00	0.0	20.0	11.7	8.0	67.6	14.3 8.3
TERRYDALE R#	O-TRYLS	336	13.76	1.48	MAR	2.24	14.00	-3.4	3.7	6.3	10.6	1.7	16.3 4.7
US EQUITY & MTG	O-USEM	1257	3.08	0.60	APR	0.80	↑ 6.00	0.0	9.1	7.5	10.0	94.8	26.0 7.5
GROUP AVERAGE		892	12.55	1.28		1.42	12.80	1.6	8.8	9.0	10.0	2.0	11.3 74.1
PROPERTY TRUSTS-SUROR LAND LEASEBACK													
ICM REALTY	A-ICM	3011	14.89	0.24	MAY	0.73	8.50	-1.5	21.4	11.6	2.8	-42.9	4.9 25.6
JMB REALTY	O-JMBRS	510	19.21	1.80	← FEB	1.84	16.00 X	-3.2	-3.0	8.7	11.3	-16.7	9.6 8.2
PROPERTY CAPITL	A-PCL	2065	13.68	1.20	APR	1.20	10.75	-2.3	-10.4	9.0	11.2	-21.4	8.8 22.2
GROUP AVERAGE		1862	15.93	1.08		1.26	11.75	-1.1	-0.7	9.4	9.2	-26.2	7.9 56.0
PROPERTY & MTG COMBINATION													
BANKAMER RLTY	O-BRLTS	3547	16.59	0.80	APR	1.03	11.63	-3.1	10.8	11.3	6.9	-29.9	6.2 41.3
BRT REALTY	A-BRT	1400	2.75	0.00	MAY	0.26	↑ 1.75	40.0	153.6	6.7	0.0	-36.4	9.5 2.5
CONN GEN M&R#	N-CGM	5718	19.11	1.60	← MAR	1.76	18.13 X	-4.4	-13.7	10.3	8.8	-5.1	9.2 103.7
FLATLEY RLTY #	O-FLTLS	1000	6.92	0.00	MAR	0.08	↓ 3.50	-9.8	7.7	43.8	0.0	-49.4	1.2 3.5
INDIANA MGR #	O-INDMS	1154	8.41	0.00	MAR	0.44	3.63	-9.3	3.7	8.3	0.0	-56.8	5.2 4.2
INVESTORS RL#	A-IRT	1579	10.92	0.50	MAY	1.27	↑ 8.50	7.9	13.3	6.7	5.9	-22.2	11.6 13.4
MILLER HENRY S	O-HSMTS	560	16.88	1.00	MAY	1.20	13.50 X	10.0	35.0	11.3	7.4	-20.0	7.1 7.6
MORTGAGE GROWTH	A-MTG	2627	10.64	0.60	MAY	0.48	7.38 X	0.4	28.3	15.4	8.1	-30.6	4.5 19.4
PROP TR AMER#	O-PTRAS	2338	7.46	0.28	MAR	0.20	4.75	-2.7	-7.4	23.8	5.9	-33.9	2.7 11.1
REALTY INCOME	A-RTT	1566	10.96	1.40	APR	0.00	11.50	-3.2	-10.7	0.0	12.2	4.9	0.0 18.0
RIEVIEW RLTY #	O-RIVI6	783	8.50	0.56	↑ DEC	0.96	6.50 X	6.2	18.2	6.8	8.6	-23.5	11.3 5.1
SAUL (BF) REIT	N-BFS	5859	5.25	0.00	MAR	0.00	6.88	14.7	61.9	0.0	0.0	31.0	0.0 40.3
US BANKCORP #	A-UBT	840	17.00	0.70	↑ MAY	1.77	↑ 12.88 X	14.2	28.8	7.3	5.4	-24.2	10.4 10.8
VIRGINIA REI#	O-VARES	1251	10.31	0.60	MAR	0.60	10.00	0.0	29.0	16.7	6.0	-3.0	5.8 12.5
WELLS FARGO M&E	N-WFM	3917	17.45	1.20	MAR	0.96	12.88	-3.7	-2.8	13.4	9.3	-26.2	5.5 50.5
GROUP AVERAGE		2276	11.27	0.62		0.73	8.89	2.7	10.3	12.1	6.9	-21.1	6.5 343.9
SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR													
BAIRD & WARNER	O-BAIDS	1043	16.09	0.14	APR	0.00	↓ 7.50	-11.8	25.0	0.0	1.9	-53.4	0.0 7.8
CENTRAL MTG	O-CMRTS	775	12.02	0.00	MAR	0.03	↓ 6.50	6.0	67.5	216.7	0.0	-45.9	0.2 5.0
FIRST CONTINL	O-FCRES	2106	10.28	0.96	MAY	1.00	8.00 X	-4.5	-5.9	8.0	12.0	-22.2	9.7 16.8
FRASER MTG	O-FRASS	1038	16.40	1.08	↑ FEB	1.04	11.25 X	-6.0	0.0	10.8	9.6	-31.4	6.3 11.7
HANOVER SQ RLTY	A-HSQ	946	11.08	0.00	MAY	0.12	↑ 7.13	-3.4	35.8	59.4	0.0	-35.6	1.1 6.7
LOMAS & NETLIN	N-LOM	3700	27.77	1.72	MAR	1.72	18.75	0.0	-5.7	10.9	9.2	-32.5	6.2 69.4
M&T MORTGAGE	O-MTMIS	1482	10.27	1.04	MAY	1.12	9.38	-1.3	-6.2	8.4	11.1	-8.7	10.9 13.9
MTG TRUST AMER	N-MT	3860	12.82	0.00	MAY	0.66	↑ 6.88	-5.1	14.7	10.4	0.0	-46.3	5.1 26.6
NATIONWIDE RE	O-NRELS	1047	24.36	0.44	↑ JUN	0.56	14.50 X	12.6	81.3	25.9	3.0	-40.5	2.3 15.2
SUTRO MTG INV	N-SUT	2322	15.36	0.90	← JUN	0.63	↓ 9.50	-2.6	1.3	15.1	9.5	-38.2	4.1 22.1
WESTERN MTG	O-WMTGS	1003	7.75	0.00	MAY	0.08	↑ 3.50	-3.6	7.7	43.8	0.0	-54.8	1.0 3.5
GROUP AVERAGE		1757	14.93	0.57		0.63	9.35	-0.2	12.6	14.8	6.1	-37.3	4.2 198.7
LONG-TERM MTGS & PROPERTIES													
BT MTG INVSTRS	N-BTM	2116	-2.84	0.00	MAR	0.31	1.63	-13.3	-27.6	5.3	0.0	-0.0	-0.0 3.4
DEL-VAL FIN CP*	O-DVALS	905	9.39	1.38	MAR	1.24	↑ 10.75 X	-9.5	-20.4	8.7	12.8	14.5	13.2 9.7
EQUIT LF MTG	N-EQ	5662	23.38	0.00	APR	1.84	19.13 X	1.3	-26.8	10.4	10.5	-18.2	7.9 108.3
HOSPITAL MTG	A-HMG	1178	22.67	0.60	← MAY	0.40	← 10.13 X	1.5	11.0	25.3	5.9	-55.3	1.8 11.9
MASSMUTUAL MTG	N-MML	4670	19.60	1.36	APR	1.43	14.00	0.9	-9.0	9.8	9.7	-28.6	7.3 65.4
MONY MTG INV	N-MYM	8924	9.72	0.92	MAY	0.86	9.38 X	-1.4	-6.2	10.9	9.8	-3.5	8.8 83.7
NOWSTERN MUT MT	N-NML	4758	19.05	1.00	← JUN	0.97	11.75 X	5.4	-4.1	12.1	8.5	-38.3	5.1 55.9
PACIFIC SO MTG	O-PSMTS	800	11.94	0.64	MAR	0.52	7.75	1.6	14.8	14.9	8.3	-35.1	4.4 6.2
PNB MTG& RL#	N-PNI	2437	18.73	0.80	← MAR	0.80	9.63	-2.5	-10.4	12.0	8.3	-48.6	4.3 23.5
REALTY REFUND	N-RRP	1309	18.58	2.04	APR	2.04	18.75	4.9	-10.7	9.2	10.9	0.9	11.0 24.5
RLTY & MTG PAC	O-RPACS	1890	18.04	1.28	MAY	1.24	12.25 X	-2.4	-1.1	9.9	10.4	-32.1	6.9 23.2
SECURITY MTG	A-SMO	6487	5.98	0.00	MAR	0.00	2.75	0.0	-8.3	0.0	0.0	-54.0	0.0 17.8
UNITED REALTY	A-URT	3610	17.60	0.80	← MAY	0.74	↓ 9.63 X	-7.5	-2.5	13.0	8.3	-45.3	4.2 34.8
GROUP AVERAGE		3442	14.76	0.99		0.95	10.58	0.3	-9.8	11.1	9.3	-28.3	6.5 468.3

#NET CASH FLOW, SEE PAGE 6. *GROSS CASH FLOW. -0.0 IN % PR TO BOOK INDICATES NEGATIVE BOOK VALUE.
 VJ-IN BANKRUPTCY REORGANIZATION. ARROWS DENOTE NEW EARNINGS OR DIVIDENDS AND DIRECTION. ZEROES
 INDICATE LOSS OR NO EARNINGS FOR QUARTER SHOWN. EXTRAORDINARY GAINS NOT ANNUALIZED.
 P-PHILADELPHIA EXCHANGE. WESTERN MORTGAGE ALSO TRADES ON BOSTON EXCHANGE.

US EQUITY AND ICM REALTY DIVIDENDS ARE TRAILING 12 MONTHS. CONTINENTAL MORTGAGE EARNINGS FOR 10
 MONTHS ENDED JANUARY 1978.

NAME CHANGES: BARNETT MORTGAGE TO TRECO; BENEFICIAL STANDARD MORTGAGE TO ALAMAND CORP.;
 DELAWARE VALLEY RLTY. & MTG. TO DEL-VAL FINANCIAL CORP.

GROUP CHANGE: ALAMAND CORP. FROM QUALIFIED MISC SPONSOR TO NON-QUALIFIED INDEPENDENT MGMT.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	-EARNINGS-- MON ANN*	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)
MTG & FORECLOSED PROPERTY-MISC SPONSOR													
AMER CENTURY MI	N-ACT	2607	5.23	0.00	MAR	0.00	2.63	-4.4	-16.0	0.0	-49.7	0.0	6.9
COLWELL MTG	O-CLM	2030	-3.86	0.00	MAR	0.00	1.63	8.7	103.8	0.0	-0.0	-0.0	3.3
CONT ILL RLTY	N-CIR	2797	2.09	0.00	MAR	0.00	2.38	-13.5	-26.8	0.0	13.9	0.0	6.7
EASTOVER CORP	O-EASTS	1008	10.95	0.00	MAR	0.00	7.75	29.2	47.6	0.0	-29.2	0.0	7.8
HEITMAN MTG	A-HTM	3292	2.56	0.00	MAR	0.01	1.75	0.0	16.7	175.0	-31.6	0.4	5.8
MIDLAND MTG	N-MMT	2382	-0.01	0.00	MAR	0.00	2.00	22.7	60.0	0.0	-0.0	-0.0	4.8
MISSION INV TR	A-MIT	1812	4.83	0.00	MAY	0.20	2.88	9.5	64.6	14.4	-40.4	4.1	5.2
NORTH AMER MTG	N-NAM	4401	8.95	0.00	MAR	0.00	3.38	-6.9	-9.9	0.0	-62.2	0.0	14.9
WACHOVIA RLTY	N-WRI	3335	9.92	0.00	MAY	0.00	5.00	5.3	11.1	0.0	-49.6	0.0	16.7

GROUP AVERAGE 2629 4.52 0.00 0.02 3.27 7.3 16.8 140.0 0.0 -27.7 0.5 72.1

PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT)

AMER REALTY	O-ARB	2222	3.32	0.00	MAR	0.00	2.19	16.5	88.8	0.0	-34.0	0.0	4.9
BAY COLONY PROP	N-BAY	2992	7.04	0.00	FEB	0.07	3.13	-3.7	13.8	44.7	-55.5	1.0	9.4
C I REALTY #	N-CIX	2609	16.75	0.00	FEB	0.35	12.00	4.3	12.9	34.3	-28.4	2.1	31.3
CITIZENS GROWTH	O-CITGS	811	6.79	0.00	JAN	0.00	4.00	14.3	128.6	0.0	-41.1	0.0	3.2
FRANKLIN RLTY	A-FR	999	7.82	0.00	MAR	0.14	5.13	-8.9	0.0	36.6	-34.4	1.8	5.1
SUMMIT PROP #	O-SMITS	1543	6.89	0.00	APR	0.03	4.00	14.3	0.0	133.3	-41.9	0.4	6.2
US REALTY #	N-UTY	3434	4.03	0.00	MAR	0.28	5.25	5.0	7.6	18.8	30.3	6.9	18.0
WALTER RLTY #	O-WALJS	1035	6.80	0.00	APR	0.00	3.88	-3.0	-26.1	0.0	-42.9	0.0	4.0
WISCONSIN REIT	O-WREIS	1514	4.90	0.00	MAR	0.08	2.63	-4.4	-32.2	32.9	-46.3	1.6	4.0

GROUP AVERAGE 1907 7.15 0.00 0.11 4.69 2.9 7.1 44.4 0.0 -34.4 1.5 86.1

MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT

ALAMAND CORP	O-ALAM	1355	0.59	0.00	APR	0.22	3.00	9.1	84.0	13.6	408.5	37.3	4.1
BARNETT-WINSTON	O-BWITS	1663	-1.18	0.00	MAR	0.00	1.13	0.0	28.4	0.0	-0.0	-0.0	1.9
BUILDERS INV	O-BULDS	2929	0.38	0.00	MAR	0.00	2.88	0.0	154.9	0.0	657.9	0.0	8.4
CAPITAL MTG	P-CMU	1675	-0.72	0.00	MAR	0.49	1.31	0.0	61.7	2.7	-0.0	-0.0	2.2
VJCONTINENTAL MTG	O-CMI	20838	-3.80	0.00	JAN	0.00	0.26	18.2	4.0	0.0	-0.0	-0.0	5.4
COUSINS M&E	N-CUZ	3854	1.02	0.00	MAY	0.00	2.25	-5.5	50.0	0.0	120.6	0.0	8.7
DIVERSIFIED MTG	N-DMG	7327	8.49	0.00	MAR	0.16	2.88	4.7	9.5	18.0	-66.1	1.9	21.1
VJDOMINION M&R	O-DMRTS	639	-10.86	0.00	MAY	0.24	0.50	-33.3	100.0	2.1	-0.0	-0.0	0.3
FIRST MORTGAGE	O-FMTGS	8495	-6.27	0.00	APR	0.02	0.66	-25.0	17.9	33.0	-0.0	-0.0	5.6
FIRST NEWPORT R	O-FNRIS	2339	3.30	0.00	APR	0.00	1.25	-9.4	-13.2	0.0	-62.1	0.0	2.9
FIRST VIR REIT	O-FVM	1208	6.02	0.00	MAR	0.22	1.88	25.3	25.3	8.5	-68.8	3.7	2.3
VJGREAT AMER M&I	O-GAA	4456	-13.08	0.00	APR	0.09	0.60	0.0	140.0	6.7	-0.0	-0.0	2.7
GROWTH RY	N-GRW	2059	6.88	0.00	MAR	0.00	3.88	14.8	10.9	0.0	-43.6	0.0	8.0
VJGUARDIAN MTG	P-GMI	3000	-14.72	0.00	FEB	0.00	0.63	0.0	0.0	0.0	-0.0	-0.0	1.9
HAMILTON INV	O-HAMTS	2143	5.08	0.00	MAR	0.00	2.50	-4.9	33.0	0.0	-50.8	0.0	5.4
INSTITUTIONAL	N-INV	6074	2.99	0.00	APR	0.00	1.75	0.0	-26.5	0.0	-41.5	0.0	10.6
KENTUCKY PROPTY	O-KMTGS	1100	1.68	0.00	NOV	0.06	2.63	16.9	163.0	43.8	56.5	3.6	2.9
LIFETIME COM	O-LFTMS	6598	2.51	0.00	APR	0.09	0.88	17.3	95.6	9.8	-64.9	3.6	5.8
LINCOLN MTG	O-LNMGS	1155	0.69	0.00	MAR	0.00	2.38	5.8	72.5	0.0	244.9	0.0	2.7
VJMETROPLEX RLTY	O-JMI	1184	-0.28	0.00	MAR	0.00	0.75	0.0	33.9	0.0	-0.0	-0.0	0.9
MTG INV WASH	O-MINVS	2146	4.61	0.00	DEC	0.00	3.50	33.1	40.0	0.0	-24.1	0.0	7.5
NATIONAL MTG	O-NMF	3707	1.97	0.00	NOV	0.00	0.88	-6.4	57.1	0.0	-55.3	0.0	3.3
NJB PRIME INV	O-NJB	1330	-6.12	0.00	MAY	0.00	1.00	-20.0	222.6	0.0	-0.0	-0.0	1.3
PLAZA REALTY	O-PRISS	1114	0.84	0.00	DEC	0.00	1.00	6.4	6.4	0.0	19.0	0.0	1.1
REPUBLIC MTG	N-RMI	2107	3.92	0.00	MAR	0.00	1.75	-6.9	-22.2	0.0	-55.4	0.0	3.7
TEXAS FIRST MTG	O-TFMRS	1055	7.95	0.00	MAR	0.01	3.50	16.7	33.1	350.0	-56.0	0.1	3.7
TIERCO	O-TIERS	1170	5.91	0.00	MAR	0.00	2.38	5.8	58.7	0.0	-59.7	0.0	2.8
TMC INDUST	O-TMG	800	-1.69	0.00	DEC	0.00	2.88	28.0	500.0	0.0	-0.0	-0.0	2.3
TRECO	O-BMT	2174	-11.26	0.00	DEC	0.00	1.57	4.7	214.0	0.0	-0.0	-0.0	3.4
UMET TRUST	N-UAT	2109	-2.75	0.00	MAY	0.00	1.63	-27.6	-45.7	0.0	-0.0	-0.0	3.4
WESTPORT CO	O-WSPTS	2388	4.24	0.00	APR	0.00	2.38	3.0	5.8	0.0	-43.9	0.0	5.7

GROUP AVERAGE 3232 -0.12 0.00 0.05 1.82 4.3 36.0 35.3 0.0 -0.0 -0.0 142.0

MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR

AMER FLETCHER M	O-AFM	1352	-0.11	0.00	APR	0.67	1.75	16.7	98.9	2.6	0.0	-0.0	2.4
CAMERON-BROWN	N-CB	2016	7.16	0.00	MAR	0.00	2.75	0.0	4.6	0.0	-61.6	0.0	5.5
CHASE MAN MTG	O-CMR	4886	-3.51	0.00	FEB	0.00	0.94	3.3	-50.0	0.0	-0.0	-0.0	4.6
CITINATL DEV	O-CITI6	600	13.04	0.00	DEC	0.00	6.50	-7.1	4.0	0.0	-50.2	0.0	3.9
CITIZENS MTG	O-CZM	1421	-16.59	0.00	MAR	0.00	0.63	0.0	117.2	0.0	-0.0	-0.0	0.9
CITIZNS&SO RLTY	O-CZS	3829	-3.19	0.00	MAR	0.00	0.94	10.6	49.2	0.0	-0.0	-0.0	3.6
CLEVETRUST RLTY	O-CTRIS	2525	10.55	0.00	JUN	0.00	4.75	0.0	26.7	0.0	-55.0	0.0	12.0
FIDELCO GROWTH	A-FGI	1580	3.53	0.00	MAY	0.19	2.25	6.1	0.0	11.8	-36.3	5.4	3.6
FIRST DENVER MI	O-FDENS	1621	6.39	0.00	DEC	2.56	2.38	-9.5	5.8	0.9	-62.8	40.1	3.9
FIRST MEMPHIS	O-FMEMS	1156	4.41	0.00	FEB	0.70	2.50	-4.9	66.7	3.6	-43.3	15.9	2.9
FIRST PENN MTG	N-FPM	2961	1.33	0.00	APR	0.00	1.63	8.7	-6.9	0.0	22.6	0.0	4.8
FIRST WISCONSIN	O-FWMTS	1987	5.76	0.00	MAR	0.00	2.38	5.8	19.0	0.0	-58.7	0.0	4.7
INDEPENDENCE MT	O-INTGS	2500	-4.03	0.00	MAR	0.00	1.13	13.0	71.2	0.0	-0.0	-0.0	2.8
MARYLAND REALTY	O-MDRTS	760	8.26	0.00	MAY	0.17	3.88	-6.1	10.9	22.8	-53.0	2.1	2.9
NW FINANCIAL IN	O-NFINS	1510	14.19	0.00	JUN	0.16	9.88	27.5	33.9	61.8	-30.4	1.1	14.9
TRI-SOUTH MTG	N-TSI	2260	1.89	0.00	MAR	0.00	2.00	0.0	33.3	0.0	5.8	0.0	4.5

GROUP AVERAGE 2060 3.07 0.00 0.28 2.89 4.3 18.4 10.4 0.0 -5.7 9.1 77.9

MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS

ATLANTA NATL	O-ATNAS	1273	8.77	0.00	FEB	0.00	4.50	-5.3	33.1	0.0	-48.7	0.0	5.7
BARNES MTG INV	O-BARNS	1910	11.33	0.00	MAR	0.00	3.00	-7.7	9.1	0.0	-73.5	0.0	5.7
CI MTG GROUP	P-CI	4812	-3.10	0.00	APR	0.00	1.13	39.5	63.8	0.0	-0.0	-0.0	5.4
GMR PROP	N-GMR	2210	3.85	0.00	MAY	0.00	1.75	-17.5	-17.8	0.0	-54.5	0.0	3.9
IDS REALTY	O-IDR	2409	0.54	0.00	APR	0.60	2.44	-4.7	45.2	4.1	351.9	111.1	5.9
SOUTH ATLANTIC	O-SAT	2706	3.24	0.00	JAN	0.00	2.38	19.0	-9.5	0.0	-26.5	0.0	6.4
STATE MUTUAL	N-SMU	2786	7.79	0.00	JUN	0.15	3.88	3.5	6.9	25.9	-50.2	1.9	10.8

GROUP AVERAGE 2587 4.63 0.00 0.11 2.73 -0.8 13.0 25.4 0.0 -41.1 2.3 43.8

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG	CONV PARITY	STOCK PRICE
AMER CENTURY	AS	'90	7.00	21.00	64.00	10.9	-1.4	13.44	2.63
AMER CENTY'B	NY	'91	6.75	28.00	64.00	10.5	-1.4	17.92	2.63
AMER REALTY	OC	'84F	7.00	10.40	63.00	DEF	0.0	6.55	2.19
BAIRD&WARNER	OC	'91	6.75	21.00	67.00	10.1	0.0	14.07	7.50
BANKAMERICA	OC	'90	6.75	21.00	82.00	8.2	0.0	17.22	11.63
BENEF STD MI	OC	'91F	6.50	27.75	50.00	13.0	-10.6	13.87	3.00
CAPITAL MTG	OC	'91F	6.50	33.00	54.00	12.0	1.9	17.82	1.31
CHASE MANHTG	OC	'96F	6.50	55.00	30.00	DEF	-11.7	16.50	0.94
CHASE MANHTN	OC	'97	11.63	2.25	46.00	25.3	-2.0	1.03	0.94
CONN GENERAL	NY	'96	6.00	32.50	68.50	8.8	-4.1	22.26	18.13
CONTINTL MTG	OC	'90	6.25	19.79	20.50	VJ	28.1	4.05	0.26
EQUITBL LF M	NY	'90	6.75	26.25	83.50	8.1	1.2	21.91	19.13
FIRST NEWPT	OC	'91F	6.75	27.50	41.00	16.5	-6.7	11.27	1.25
FIRST PENN M	OC	'91F	6.75	26.00	54.00	12.5	8.0	14.04	1.63
FIRST UNION	NY	'91	7.00	13.00	89.00	7.9	-2.1	11.57	11.50
FRANKLIN RLY	AS	'89	7.00	10.00	73.75	9.5	-4.1	7.37	5.13
GRT AMER MI	OC	'91	7.00	35.50	14.00	VJ	-22.1	4.96	0.60
HANOVER SQ R	AS	'92	7.25	21.00	79.00	9.2	-1.2	16.59	7.13
HEITMAN MTG	AS	'92	7.50	14.70	63.00	11.9	0.0	9.26	1.75
HOTEL INVSTR	OC	'90	7.75	21.00	88.00	8.8	2.3	18.48	18.75
HOTEL INVTRS	OC	'91	7.50	25.25	83.00	9.0	2.5	20.95	18.75
LINCOLN MTG	OC	'90	8.00	11.00	60.00	13.3	0.0	6.60	2.38
MASSMUTL MTG	NY	'90	6.75	21.00	82.50	8.2	0.6	17.32	14.00
MASSMUTUAL M	NY	'91	6.25	33.50	75.50	8.3	-1.8	25.29	14.00
MIDLAND MTG	OC	'86	7.00	16.67	52.00	13.5	6.1	8.66	2.00
MONY MTG IN	NY	'90	7.00	11.00	84.00	8.3	-3.3	9.24	9.38
MTG INV WASH	OC	'90	8.00	15.00	62.00	12.9	0.0	9.30	3.50
NJB PRIME	OC	'91F	6.75	21.00	37.00	DEF	0.0	7.77	1.00
NOWSTRN MUTL	NY	'91	6.00	21.00	75.00	8.0	-2.5	15.75	11.75
RAM PACIFIC	OC	'91	6.75	21.00	73.50	9.2	-2.5	15.43	12.25
REALTY INCOM	AS	'91	8.00	18.00	83.00	9.6	0.6	14.94	11.50
REPUBLIC MI	NY	'90	9.00	19.00	92.13	9.8	0.5	17.50	1.75
SAUL (BF) RL	OC	'91	6.50	23.00	65.00	10.0	-2.5	14.95	6.88
SAUL(BF) REI	OC	'90	8.00	15.50	78.00	10.3	-2.4	12.09	6.88
STATE MUTUAL	AS	'91F	6.75	21.00	70.00	9.6	6.1	14.70	3.88
SUTRO MIT	NY	'82	6.75	20.00	85.50	7.9	1.2	17.10	9.50
SUTRO MTG	AS	'91	6.75	20.00	72.00	9.4	-0.6	14.40	9.50
TRI-SO / SR	P	'88	10.00	2.50	100.50	10.0	9.2	2.51	2.00
TRI-SOUTH MI	NY	'92F	7.00	29.50	53.00	DEF	0.7	15.63	2.00
US BANCORP	AS	'92	7.00	26.25	75.00	9.3	0.0	19.68	12.88
US REALTY IN	NY	'89	5.75	20.20	64.75	8.9	7.7	13.07	5.25
WESTPORT CO	OC	'91F	6.75	21.00	56.00	12.1	0.0	11.76	2.38

HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of relative efficiency of real estate investment trust managements with available funds. Readers should note that historical data are used and thus no earnings or dividend projections or estimates are included. Investors are advised to consider carefully the following distinctive characteristics of REITs compared with other industrial or financial securities:

Annualized Dividend and Yield: Most REITs do not pay a posted quarterly dividend rate but instead pay their approximate earnings (or net cash flow, if appropriate) for the quarter. They follow this practice because REITs are required to pay at least 90% of earnings to shareholders in order to qualify for exemption from Federal income taxes. This practice means that dividends paid by most REITs will vary much more from quarter to quarter than industrial securities. This possibility for quarterly variations gives REIT shares higher risk because earnings do not provide a safety margin of coverage for the dividend as they do for industrial stocks. The outlook and stability of dividends are thus key factors in our **RELATIVE APPEAL RANKINGS**. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusted for any capital gains or other special dividend payments. Special dividends, marked "S", are paid to maintain tax exemption but are not expected to be continued in subsequent quarters. Because of these possible variations, annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

Annualized Earnings and Price/Earnings Ratio: For mortgage trusts, latest quarter earnings are multiplied by four. Zeros indicate losses or no earnings for the quarter indicated. Losses per share are shown in **RELATIVE APPEAL RANKINGS**. For equity trusts, annualized net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings as the best single measure of results. Net cash flow is defined as net income plus depreciation minus mortgage amortization. The symbol "\$" indicates cash flow in the earnings column. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used, denoted by "*". Cash flow derived from amortization of debt discount is denoted by "@". The price/earnings ratio relates current price to the most appropriate earnings result. Both earnings (EPS) and net cash flow (CFS) per share for equity trusts for current periods are shown in **RELATIVE APPEAL RANKINGS**.

CONVERSION PARITY IS PRICE AT WHICH SHARES WOULD HAVE TO SELL TO JUSTIFY DEBENTURE PRICE. VJ-IN BANKRUPTCY REORGANIZATION. F-TRADES FLAT, WITHOUT ACCRUED INTEREST. DEF-IN DEFAULT.

Shares: The number of shares outstanding, in thousands, is the number issued as of the latest balance sheet and is not adjusted for any potential conversion of debentures or exercise of warrants. **Book value per share** is essentially net tangible worth per share. The number does not reflect any changes in asset values through appreciation or abnormal depreciation of assets, nor any potential increase from possible conversion of debentures. Realized and estimated investment losses, as determined by management's provision for possible losses, are deducted from book value under AICPA rules. Audit also deducts intangible debt discount and expense costs from book value.

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
BARNES MTG	O-BARNW	12/82	1910	20.00	1.0	0.05	3.00	568.3	0.0	0.1
CAPITAL MTG	O-CMORW	11/79	471	16.59	1.0	0.03	1.31	1168.7	0.0	0.0
CITZNS&SO-B	O-CZSS	4/83	258	2.00	50.0	5.25	0.94	123.9	75.0	1.4
FLATLEY RLTY	O-FLTLW	5/79	1000	10.00	1.0	0.19	3.50	191.1	-23.9	0.2
JMB REALTY	O-JMBRW	8/82	510	20.00	1.0	0.75	16.00	29.7	-24.9	0.4
M&T MTG INV	O-MTMIZ	8/80	747	13.00	1.0	0.25	9.38	41.3	0.0	0.2
MTG INV WASH	O-MINWV	3/80	931	15.00	1.0	0.06	3.50	330.3	-53.7	0.1
NATIONWID RE	O-NRELW	1/81	652	32.00	1.0	0.06	14.50	121.1	200.0	0.0
NORTH AM MTG	A-NAMW	3/79	710	31.13	1.0	0.13	3.38	824.9	116.7	0.1
REALTY REFUN	O-RRF5	8/78	328	23.00	1.0	0.13	18.75	23.4	-31.5	0.0
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	0.06	1.75	1046.3	0.0	0.1
SAN FRAN REI	A-SPIW	12/80	1348	25.00	1.0	0.75	16.50	56.1	-14.7	1.0
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.03	2.75	482.9	0.0	0.1
SUTRO MIT(B)	A-SUTW	6/82	700	20.00	1.0	0.75	9.50	118.4	-33.5	0.5
UNITED RLTY	A-URTW	12/79	3610	20.00	1.0	0.13	9.63	109.0	-47.9	0.5

*DEBENTURES USABLE IN LIEU OF CASH.

NON/LOW EARNING INVESTMENTS AS OF JULY 26, 1978

	Number	-----Invested Assets-----		% Non- and low-earning	% Change in month
		Non/Low-Earn.	Total		
PROPERTY.....	31	\$ 95M	\$ 2,009M	5%	-2.1%
PROPERTY & MTG.....	24	532	1,985	27	-3.4
SHORT/TERM MTG.....	11	191	715	27	-0.5
L/T MTG/PROPERTY....	13	325	1,696	19	-2.7
MTG/FORECLOSED PROP.	63	5,111	6,902	74	-1.6
TOTALS/AVERAGES....	142	\$6,253M*	\$13,306M	47%	-1.8%

* Includes \$1,012M or 6.7% low-earning assets.

EARNINGS TRENDS: MARKET CONTINUES TO IGNORE NET CASH FLOW, MAKING CONN GEN A BUY

Shares of No. 1 ranked Connecticut General Mortgage & Realty sold down to a new 1978 low of 17-3/4 at press time on news that earnings sagged to 30¢/sh. in the June quarter including 6¢/sh. gains on sale of assets.

Comparisons printed in The Wall Street Journal and other financial media were particularly devastating since CGM earned 46¢/sh. in the year-ago quarter including 14¢/sh. property sale gains.

There are two possible explanations for the market reaction: Either

a) CGM is failing to get across to investors its story that net cash flow, or "funds available for distribution or reinvestment" as it calls them, is a better measure of performance than earnings per share under general accounting principles; or---

b) CGM investors understand the cash flow story so well that they're selling in deep disappointment that dividends haven't kept pace with available cash.

We think there's a bit of both involved, making CGM shares one hell of a buy.

Look at the net cash flow story: Everything is coming up roses for CGM.

Operations generated 47¢/sh. funds available for distribution or reinvestment in the June quarter excluding the 6¢/sh. capital gain.

The 23¢/sh. difference between funds and regular earnings of 24¢/sh. is that old bugaboo for realty stocks -- depreciation -- plus partnership distributions for CGM.

Like Continental Illinois Properties (RTR, June 23), the depreciation bite has risen as CGM has expanded property holdings both directly and via partnerships.

The inevitable bottom line for such a strategy: Net cash flow goes up while reported earnings sink.

Even better, CGM's operating cash flow stands to improve more in coming quarters.

That's because its largest single problem, recently acquired Clorox Building in a downtown Oakland, Cal. renewal area, is turning around rapidly.

Strong demand moved leasing from 62% to over 80% of the 500,000 sf in the June quarter alone and these new leases will come on stream over the next three-four months.

They transform a gloomy situation: CGM had expected to pour 20¢/sh. into the building during its March 1979 fiscal year but now can see breakeven or better annualized rates.

This means net cash flow should be over 50¢/sh. by the March 1979 quarter.

Look at the dividend story. CGM has been paying the same 40¢/sh. quarterly since the Dec. 1974 quarter -- almost four years.

Trustees appear concerned about sustainability of any dividend boost.

But pressure building on trustees to boost the dividend is clear, consistent and compelling. The June cash flow provided a hefty 7¢/sh. cushion over distributions.

In other words, CGM is paying only 85% of available cash to shareholders.

CGM's biggest holders understand all this: Nearly 35% of shares are held by institutions and they aren't unsophisticated investors.

They know that dividends must go up to offset ravages of inflation. Else the same dividend capitalizes into lower share prices as inflation picks up steam.

That's why CGM shares are selling at new lows.

That's why you can buy CGM shares near those lows -- before any dividend boost.

Other earnings reports for the latest quarter (see table, page 8) continue the trends we've been talking about all during this year: large interest recoveries as nonaccruing loans are repaid, gains on property sales, and reversals of loss reserves based upon higher property values. Some cases in point:

U.S. Bancorp Realty & Mortgage earned 48¢/sh. in the May quarter, last of its

New Earnings Reports

Trust-Period ended	-Latest Q-Th-\$- Earn/Spl.Item#	--Latest Q-EPS-- Earn/Spl. Items#	--Earnings/sh.-- Prev.Q Yr.agoQ	% Chng. From*- Prev.Q Yr.ago Q
Quarterly results: Qualified trusts:				
BRT Realty.....May...\$ 366	\$0.26		d\$0.05 d\$1.47	Better Better
Central Mtg.&Rl...Mar... 21	0.03		0.04 d0.36	-25% Better
Conn.Gen.M&R.....June...1,695/343G	0.30/0.06G		0.33 0.46a	-27* -26*
Cont. Ill. Rlty...Mar... d244	d0.09		0.66b d0.08	Better* Worse*
Eastover Corp...Mar... d 63	d0.06		0.02a d0.43	Worse Better
Flatley Rlty...Mar... d 25	d0.03		0.11 d0.03	Worse UC
Hanover Sq. Rl...May... 113/203T	0.12/0.21T		d0.02b d0.13b	Better* Better*
Hospital Mtg...May... 114	0.10		0.10 0.11	UC -9
Hotel Inv...May... 574	0.37		0.34 0.32	+ 8 +16
Investors Rlty...May... 478/175I	0.30/0.11I		0.08 d0.01	+138 Better*
Mission Inv...May... 91	0.05		0.15 d0.09	-66 Better
Mtg. Tr. Amer...May...1,853/1630R	0.48/0.42R		0.18a d0.17	+167 Better
Nationwide RE...June... 275/169R	0.26/0.16R		0.04 0.04	+141* +130*
NW Mut.Lf.Mtg...June...2,317/1557G	0.49/0.33G		0.22 0.22	-27* -27*
Penn. REIT.....May... 564	0.37		0.24 0.34	+54 + 9
PNB Mtg. & Rl...June... 566	0.23		0.16 0.22	+44 + 5
Prudent RE...May... 21	0.01		0.02 d0.03	-50 Better
Realty Income...Apr... d881	d0.56		d0.24b d0.28	Worse Worse
Sutro Mtg. Inv...June... 614/340G	0.26/0.15G		0.20 0.19a	-40* Better*
United Realty...May... 723/ 90G	0.20/0.02G		0.20 0.19	-12* - 9*
U.S.Bancorp R&M...May... 407	0.48		0.11 0.19	+336 +40
Quarterly: Non-qualified business trusts:				
C.I. Realty Inv...May... d216	d0.08		+0.13a d0.14	Better* Better
CleveTrust Rlty...June... d426	d0.17		+0.73a d0.20	Better* Better
Cousins Mtg.....May... d204	d0.05		d0.17 d0.27	Better Better
Dominion Mtg...May... +152	+0.24		d0.03 d1.24	Better Better
Fidelco Growth...May... 312/987S & 229X	0.19/0.62S & 0.14X		0.76b d1.55	Better* Better*
First Wisc. Mtg...Mar... 0	0.00		0.19a 0.00	NM UC
GMR Properties...May... d265	d0.12		+0.50b d0.48	UC* Better
Grt. Amer. M&I...Apr... 411	0.09		d0.38 d0.39	Better Better
Guardian Mtg...Feb...d3,820/d170S	d1.27/d0.05S		d1.18b d1.47b	Better* Better
IDS Realty Tr...Apr...1,306/628N	0.54/0.26N		0.60b d0.12	Worse* Better
Insti. Inv. Tr...Apr...d2,152/ 236S	d0.35/0.04S		d1.41b d0.36	Better* Worse*
Maryland Rlty...May... 126/ 46N	0.17/0.06N		0.02 0.05	Better +241
NJB Prime Inv...May... d688	d0.52		d0.63 d0.21	Better Worse
NW Financial Inv...June... 58	0.04		0.08a 0.00	-23* Better
State Mut. Inv...June... 159/ 71N	0.06/0.03N		0.04b d0.16b	Better Better
Summit Props...Apr... d 41/ 153G	d0.03/0.10G		d0.05a d0.07a	Worse* Worse*
UMET Trust...May...d4,546/1097G	d2.16/0.52G		d0.50b d0.83	Worse Worse
Annual results: All trusts:				
Central Mtg.&Rl...Mar... d366	d0.47		--- d1.58	--- Better
Cont. Ill. Rlty...Mar...5,243/7919S	1.87/2.83S		--- d0.71	--- Worse*
Dominion Mtg...May... d337	d0.53		--- d5.62	--- Better
Guardian Mtg...Feb...d9,035/6024S	d3.01/2.01S		--- d1.93c	--- Better*
Realty Income...Apr...d1,091/ 426G	d0.71/0.27G		--- 1.51c	--- Worse*
U.S.Bancorp R&M...May... 448	0.53		--- d0.74	--- Better

UC=Unchanged. NM=Not meaningful. r=Restated. p=Preliminary. d=Deficit.

#—Special items shown in both thousand dollars and share amounts as: G=Gain on sale of assets; L=Interest forgiveness; L=Loss on sale of assets; N=Net operating loss (NOL) benefit; R=Recovery of past-due interest; S=Swap of assets with banks; T=Gain on market purchase of debt at discounts; W=Gain (loss) on mortgage refinancing; X=Settlement with adviser or sponsor; Z=Gain on debt restructuring via exchange or tender offers.

** Comparisons are based upon earnings per share. Where loss is reported in one or both quarters, change in direction is shown as "Better" or "Worse."

* Compared before special items.

a—Gains or losses on asset sales in share results for previous and year-ago quarters are:
 ConnGen., 14c/sh. in year-ago qtr.; Eastover, 2c/sh. in previous qtr.; Mtg.Tr.Amer., 27c/sh. in prev.; Sutro Mtg., 18c/sh. in year-ago; C.I. Rlty., 23c/sh. in previous;
 CleveTrust, 87c/sh. sale gain and 42c/sh. NOL benefit in prev.; First Wisc., 12c/sh. in prev.; NW Financial, 3c/sh. in prev.; Summit, 5c/sh. and 4c/sh. in prev. & yr-ago.
 b—Asset swap gains, tax benefits from net operating losses (NOL), and gains from early retirement of debentures at discounts via tenders in previous and year-ago qtrs. are:
 Cont. Ill. Rl., \$1.52/sh. in prev. qtr.; Hanover Sq., 11c/sh. gain on debenture purchase in prev. qtr. and 9c/sh. interest recovery in year-ago; Fidelco, 95c/sh. settlement with adviser and 5c/sh. swap gain in prev.; GMR Prop., 61c/sh. swap gain in prev.; Guardian, 45c/sh. and \$1.46/sh. swap gains in prev. & year-ago qtrs.; Inst. Inv., 22c/sh. swap gain in prev.; State Mut., 2c/sh. NOL benefit in prev. and 13c/sh. asset sale gain in year-ago; UMET, 29c/sh. swap gain in prev. qtr.
 c—Annual results for year-ago include: Guardian, \$5.81/sh. swap gains; Realty Income, \$2.92/sh. asset sale gains.

sale gains and better results will maintain the payout.

PNB Mortgage & Realty earnings rose to 23c/sh. in the June quarter, indicating the trust was able to offset impact of higher interest rates.

PNB sold two properties during the quarter for nominal gains. Winter utility costs abated to improve property earnings.

PNB is moderately exposed to rising interest rates with about \$26 million investments floating with prime compared to about \$53½ million floating liabilities.

But it's been selling commercial paper at about 7-3/4% while repaying both short- and long-term bank debt, offsetting effect of most recent interest rises so far.

The shares at nearly half of book value remain attractive.

Northwestern Mutual Life Mortgage & Realty earnings boomed to 49c/sh. in the June quarter including 33c/sh. gain on sale of an apartment complex.

Problem investments fell and a three-year bank loan at a fixed 8-3/4% was completed.

fiscal year, including 28c/sh. reversal of loss reserves due to "recent favorable events."

Investors Realty earned 30c/sh. in May including 11c/sh. interest recovery.

Mortgage Trust of America posted 48c/sh. in May including 42c/sh. past-due interest.

Nationwide RE earnings soared to 26c/sh. as it collected 16c/sh. back interest. And Old Stone Corp., Providence bank holding company that once sponsored a REIT, said it will offer a new 9% cumulative preferred stock with \$17/sh. value for all NRELS shares. The trust said earlier that it would seek suitors (RTR, April 14).

But bad news continued to plague some trusts.

Realty Income Trust lost 56c/sh. in the April quarter, last of its fiscal year, attributed to continued red ink at some properties being liquidated, higher interest on bank debt, and new additions to the loss reserve.

The loss reserves were boosted because RIT hit construction problems at its Swampscott, Mass. condominium and new information was received on apartments sold some time ago after they had been taken over from Walter Kassuba.

RIT expects to generate some additional capital gains on properties now in process of sale. RIT's continuing red ink has hoisted storm warnings over its \$1.40/sh. annual dividend rate; hopefully property